

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
)
National Republican Senatorial)
Committee,)
Richard G. Nelson, as treasurer)
)
Republican National Committee,) MUR 2314
William J. McManus, as treasurer)
)
Jim Santini for Senate,)
J. Glen Sanford, as treasurer)
)
James D. Santini)

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GENERAL COUNSEL'S REPORT

I. BACKGROUND

A. Complaint

On January 13, 1987, this Office received a complaint filed by Richard Segerblom against the above-named respondents. The complainant alleges that the National Republican Senatorial Committee ("NRSC") and/or the Republican National Committee ("RNC") solicited contributions from individuals by mail or phone, that contributions were sent to the NRSC and/or the RNC, and that the NRSC and/or the RNC through the NRSC disbursed these funds to Jim Santini for Senate ("the Santini Committee"). The complainant states that "in order to act as a proper conduit, the [NRSC] could not exercise direction or control over the choice of the intended recipient of the contribution," and that, if the NRSC exercised such direction or control, the contribution would be considered to have been made by both the original contributor and the NRSC according to 11 C.F.R. § 110.6(d). He asserts that, between March, 1986, and October, 1986, the NRSC obtained \$700,000 in this manner and that the NRSC, rather than the

individual contributors, determined that the Santini Committee would receive these funds.

The complainant cites what he considers to be the best example of such an exercise of direction or control, referring to the report in the Santini Committee's 1986 April Quarterly of the receipt on March 31, 1986, of \$19,012 in individual contributions for which the NRSC was a conduit. That report listed numerous small contributions from individuals in various states received by the NRSC and directed to the Santini Committee between March 25 and March 31, 1986. The complainant points out that Mr. Santini did not announce his candidacy until March 24, 1986. He maintains that it "would have been physically impossible for the allegedly conduited contributions to have been made to the Santini Committee without the exercise of direction or control" by the NRSC. He states that

for the [NRSC] to receive those funds by March 25th, it would have had to contact contributors in at least seventeen States by a very expeditious means, and those contributors would have had to wire or at least express mail those funds, in order for the [NRSC] to have received them by midnight on March 25, 1986.

Instead, the complainant believes that the NRSC received the funds through direct mail fundraising and determined to direct them to the Santini Committee. The complainant also states that "it is possible" some of those funds were solicited by the RNC and transferred to the NRSC "for the purpose of contributing those sums to the Santini Committee." In making these

allegations, complainant is alleging violations of 2 U.S.C. § 441a(h) by the NRSC and by the RNC, and 2 U.S.C. § 441a(f) by the Santini Committee.

The complainant also alleges that, according to the reports of the Santini Committee, the March, 1986, contributions "were conduited through the [NRSC] and the [NRSC] did not exercise direction or control in the allocation of those funds to the Santini Committee." He later alleges that the respondents "knew, directed, intended and agreed that the transfers at issue would not be accurately reported." It appears, therefore, that he is stating that the respondents committed knowing and willful violations of the reporting requirements of the Act and Regulations as well as knowing and willful violations of the previously cited statutory provisions.

In the process of making these allegations, the complainant also alleged that contributions had been accepted by Mr. Santini's "Exploratory Committee," Friends of Jim Santini. He states that such a committee "is prohibited by 2 U.S.C. § _____ from receiving more than \$5,000.00 in contributions." (It should be noted that this exploratory committee became the principal campaign committee on April 11, 1986. Therefore, this Office is not naming the exploratory committee and its treasurer as respondents.)

B. Responses

Counsel for the RNC submitted a response on February 5, 1987, stating that the RNC has never transferred funds to the NRSC for the purpose of contributing those funds to the Santini Committee and has never acted as a conduit for contributions from individuals to the Santini Committee. Counsel enclosed an affidavit to this effect from the RNC's Director of Administration.

The treasurer of the Santini Committee submitted a response on February 24, 1987, stating that "all contributions forwarded to the Committee by national Republican organizations were entirely legal, and were properly received and properly reported" to the Commission. He states that he has no reason to believe that the funds received by the Santini Committee were from any source other than the individuals listed in the Committee's reports. Finally, he states that he has no reason to believe that the contributions "were the result of any impermissible 'allocation' procedure by any national party organization." In a letter received from Mr. Santini on March 16, the candidate referred to his treasurer's response and stated that he understood that the NRSC was following standard disbursement procedures for national Republican committees.

This Office received a detailed response from counsel to the NRSC on March 10, 1987. According to the response, the NRSC, in March, 1986, had an "earmarking" or "conduit" program for the

Santini Committee. Counsel states that Congressman Santini announced his Senate candidacy on March 24, 1986, and from March 25 to March 31, 1986, "contributors directed the NRSC to forward to the Santini campaign all or portions of specific contributions they had already sent in response to NRSC-originated fundraising appeals."

Counsel states that during the 1985-6 election cycle, the NRSC made arrangements "to enable contributors to earmark their contributions to specific candidates through a telephone contact, followed by a confirmatory letter. This program was known as the "'direct to' program." According to an affidavit of the NRSC's Comptroller and Director of Administration, when the NRSC received a check pursuant to a fundraising appeal, the contribution was either recorded as a contribution to the NRSC and placed in the NRSC's operations account or it was deposited in a separate account for the "direct to" program, "predetermined by the size of the check and other administrative factors." If a check was deposited in the latter account, the contributor was subsequently called by one of the NRSC phone bank callers. During these calls, the contributor "was thanked for the recent contribution, told that specific campaigns were in need of assistance, and asked whether he or she wished to direct all or a portion of the contribution to any of those campaigns." According to counsel's response:

a minimum of three candidates (and often four) were always identified by the NRSC

caller. Contributors contacted by telephone directed their contributions in a variety of ways: to be divided between all of the candidates mentioned, to be divided between only some of them, to be sent to only one of them, to be sent to candidates not mentioned by the NRSC caller, or to be sent to no candidate.

If the contributor stated that all or part of his contribution should be sent to a specific candidate, the NRSC forwarded the amount of the contribution. Otherwise, the funds were placed in the NRSC operations account. For those stating that contributions should be sent to a specific campaign or campaigns, "NRSC then immediately sent a letter confirming the contributor's directions." The reply further states that no funds deposited in the NRSC's special account remained there for a period exceeding ten days. See 11 C.F.R. § 102.8(c).

Counsel asserts that the NRSC, through constant supervision of the callers, insured that the individual contributor made the choice, that no NRSC caller "directed or controlled a contribution," and that no NRSC caller disregarded the instructions of a contributor.

Counsel also describes the arrangements between the NRSC and the recipient Senatorial committees. He states:

NRSC entered into agreements with campaigns which received earmarked funds through this "direct-to" program. See sample Agreement at Exhibit 2. The agreements provided that those campaigns would be billed on a monthly basis for their costs associated with this program, including the services of the telephone callers, the correspondence with contributors, and NRSC's overhead and

other costs. Id., and Preztunik Affidavit at ¶ 11. Each campaign was billed a flat rate of \$3 per earmarked contribution received through the "direct-to" program, on the independent advice of two different accounting firms. Id. All bills for this service were presented to all participating Senate campaigns, including Congressman Santini's, and have been paid in full.

In support of his arguments, counsel has provided documentary evidence including sample telephone scripts, copies of confirmation letters, a copy of the "direct-to" program agreement, and FEC reports of the NRSC and the Santini Committee.

In making his legal arguments, counsel for the NRSC states that the contributions were earmarked by the contributors for the Santini campaign. Admitting that the NRSC was a conduit, he refers to 11 C.F.R. § 110.6(d)(1) which states that the contribution limits will not apply to the conduit "except where the conduit exercises any direction or control over the choice of the recipient candidate." Counsel argues that the NRSC did not exercise such direction or control. He states that the fact that NRSC suggested names of three or four candidates to donors does not constitute direction or control. He cites AO 1980-46, stating that the Commission "has ruled that suggesting a contribution to only one specific candidate is not a form of control" as long as the individual contributor "makes the choice" whether to contribute to the candidate. Counsel argues that, in this situation, the individual contributor made the choice and those contributions where clear choices were not made were not

forwarded to candidates. Counsel also states that the NRSC's conduct was consistent with the General Counsel's Brief in MUR 1028, In the Matter of Council for a Livable World, in which this Office stated that the conduit did not exercise control because "the individual contributors, not the Council, determine whether or not contributions to candidates will be made."

Counsel also states that the Commission regulations permit contributor checks to be made out to the NRSC and deposited in an NRSC account, and that this would not make the NRSC a contributor when it sent a check to a candidate. Counsel points out that the check was deposited in a special "direct-to" account and reiterates that the funds were sent to a particular candidate's committee or to the NRSC operations account depending upon the instructions of the contributor, not the instructions of the NRSC. Counsel further maintains that there is no requirement that the contributor designate a recipient before the check is received and placed in the conduit's account. He asserts that, for a conduit not to be a contributor, it is required only that the designation of a candidate is made by the contributor "and at the contributor's sole direction and control."

In response to the reporting allegations, counsel states that the NRSC complied with the requirements for a conduit depositing a contributor check in its own account set out at 11 C.F.R. § 110.6(c)(1) and encloses a copy of Schedule B of the NRSC's 1986 April Quarterly Report detailing \$19,012 in

individual contributions designated for the Santini campaign.

Counsel further states that the NRSC has reported

the name and mailing address of the contributor, the amount of the contribution (in some circumstances the contributor's occupation), the date the contribution was received, the intended recipient as designated by the contributor, the date the contribution was passed on to the intended recipient, and whether the contribution was passed on in cash, by the contributor's check, or by the conduit's check. 11 C.F.R. § 110.6(c)(4)(i), (ii) & (iii).

C. Review of Committee Reports

This Office has reviewed the reports of the Santini Committee and the NRSC. It appears that the NRSC has served as an intermediary or conduit for contributions to the Santini Committee from March, 1986, until November, 1986.

The April Quarterly Report states that the NRSC served as a "conduit" for \$24,012 in contributions which it passed on to the Santini Committee in the form of NRSC checks and as a "conduit" for another \$14,000 in contributor checks. The subsequent 1986 reports of the Santini Committee indicate that the NRSC acted as a "conduit" for another \$302,926 and as an "intermediary" for another \$111,893.34 in contributions. A preliminary review of the July and October Quarterly reports of the NRSC and the Santini Committee indicate that contributions for which the NRSC served as an "intermediary" passed through the NRSC bank account while contributions for which the NRSC acted as a conduit were passed on in the form of the contributor checks. However, this

Office has seen at least one exception wherein a contribution reported in the "intermediary" category by the Santini Committee was reported by the NRSC as transmitted in the form of the contributor check.

Both the Santini Committee and the NRSC denoted the contributions that passed through the NRSC. The NRSC's reports explicitly state whether the contribution was transmitted by NRSC check or the contributor check. In addition, the NRSC reported contributions passing through its account on both its receipt and expenditure schedules.

Neither the reports of the NRSC nor the reports of the Santini Committee contain any indication that the NRSC exercised direction or control over the contributions to the Santini Committee or that the contributions were to be considered as contributions from both the original contributors and the NRSC. There is no wording to this effect either with respect to individual contributions or with respect to an aggregate of contributions.

On the Detailed Summary Page of its reports, the Santini Committee has not reported the contributions for which the NRSC was either a "conduit" or "intermediary" as coming from political party committees" on line 11b; these contributions were included only in the figures for contributions from individuals on line 11a and contributions from non-party political committees on line 11c. On the Detailed Summary Page of the NRSC reports, the

totals of contributions to candidates that passed through the NRSC account are included on the lines denoting contributions from individuals and non-party political committees, i.e., lines 11a and 11c. On the line denoting contributions to federal candidates and other political committees, the NRSC has reported the totals of contributions to candidates that passed through the NRSC account.

A review of the reports of the Santini Committee and the RNC indicates that the RNC was not involved as an intermediary or conduit for contributions to the Santini Committee or for contributions through the NRSC to the Santini Committee.

II. LEGAL ANALYSIS

A. Allegations of Excessive Contributions

Section 441a(h) of Title 2 states as follows:

Notwithstanding any other provision of this Act, amounts totaling not more than \$17,500 may be contributed to a candidate for nomination for election, or for election, to the United States Senate during the year in which an election is held in which he is such a candidate, by the Republican or Democratic Senatorial Campaign Committee, or the national committee of a political party, or any combination of such committees.

Section 441a(f) of Title 2 prohibits the knowing acceptance of contributions in violation of the provision of 2 U.S.C. § 441a.

According to 11 C.F.R. § 110.6(a), all contributions that are earmarked or otherwise directed to a candidate through an intermediary or conduit are contributions to the candidate. The term "earmarked" is defined in 11 C.F.R. § 110.6(b) as

a designation, instruction, or encumbrance (including those which are direct or indirect, express or implied, oral or written) which results in all or any part of a contribution or expenditure being made to, or expended on behalf of, a clearly identified candidate or a candidate's authorized committee.

According to 11 C.F.R. § 110.6(d)(1), the contribution limits of a conduit or intermediary are not affected by passing on earmarked contributions "except where the conduit exercises any direction or control over the choice of the recipient candidate." The reports of the Santini Committee indicate that the NRSC served as a conduit or intermediary for over \$500,000 in contributions. If the NRSC exercised direction or control over these contributions, then it violated 2 U.S.C. § 441a(h).

It appears from the evidence thus far that the contributions solicited by the NRSC in March, 1986, as part of the "direct-to" program were earmarked. Specific candidates were identified by name in the telephone solicitation and the contributors specifically designated the named candidates who would receive their contributions. The language of 11 C.F.R. § 110.6(d)(1), however, contemplates that even where a contributor exercises a choice, the conduit or intermediary may exercise direction or control.

Neither the Act nor the Commission Regulations define what is meant by exercising direction or control with respect to earmarked contributions. In advisory opinions and in a Matter Under Review, however, the Commission has addressed the concept of direction or control.

Counsel has referred to AO 1980-46 as supporting the NRSC's position that it did not exercise direction or control. In that opinion, the Commission considered a solicitation to be mailed by a political committee to individuals in which the committee would suggest that the contributor make out a check to a specific candidate. (The committee would pass on the check.) The Commission noted that, in this situation, the original contributor would still be making the choice of candidate. In addition, because 11 C.F.R. § 102.8(c) requires that the conduit pass on the earmarked contribution within 10 days of receipt by the conduit, the committee would have no "significant control" over the time when the contributions are passed on. Furthermore, the committee would have no control over the amount of the contribution since the request contemplated the receipt by the committee of contributions in the form of checks made out to the candidate or his committee. The Commission determined that the committee would not be exercising direction or control in this situation.

In AO 1975-10, the Commission considered a situation in which a committee would ask those who had already made contributions to it to earmark their contributions for a specific candidate. The Commission stated that the committee, as well as the original donor, would be a contributor because "the committee will be asserting some control over the earmarking by reason of the fact that it will actively seek to obtain consent from donors to earmark funds for a specific federal candidate."

In MUR 1028, also cited by the NRSC, the respondent committee sent mailings to its supporters suggesting that they make contributions to a specific candidate. The committee would suggest a different candidate to different alphabetically grouped contributors. The contributors mailed checks to the committee which were passed on to the committees of the individual candidates. In its brief recommending a no probable cause finding, this Office stated that the timing of the suggestion of candidates by the intermediary committee was an important factor in analyzing the situation. The intermediary committee made a suggestion prior to the time that a supporter made a decision to contribute to a candidate. Once the contribution was made, the intermediary could not "change the recipient or the amount."

In this matter, it appears that the NRSC is exercising direction or control over the contributions. It is significant that it was only after the NRSC received the contributions that it offered individual contributors an opportunity to earmark their contributions. By determining after receiving the contributions that it would obtain specific instructions or consent from the contributors and by then actively seeking to obtain such instructions or consent, the NRSC determined that contributions already received and not designated for any specific candidate should be so designated. In addition, the NRSC determined that only certain contributions should be so designated as indicated by the statement that, based on the size

of the check and other administrative factors, certain checks were deposited in the separate account for the "direct to" program.

Based on the foregoing analysis, it appears that the NRSC exercised direction or control over contributions sent to the Santini campaign. This Office, therefore, recommends that the Commission find reason to believe that the NRSC and Richard G. Nelson, as treasurer, violated 2 U.S.C. § 441a(h).

Based on the response of counsel for the RNC and the reports of the RNC and the Santini Committee, it appears that the RNC did not act as a conduit exercising direction or control over contributions sent to the Santini Committee. This Office, therefore, recommends that the Commission find no reason to believe that the RNC and William J. McManus, as treasurer, violated 2 U.S.C. § 441a(h).

As stated above, the NRSC entered into agreements with recipient Senatorial committees. These agreements described the "direct-to" program and provided for payments by the individual candidate committees for the services provided. It appears, therefore, that the Santini Committee was aware of the circumstances under which it received funds from the NRSC, including the fact that the funds would be sent to the Santini Committee from contributions previously sent to the NRSC without designation. This Office, therefore, recommends that the Commission find reason to believe that the Santini Committee and J. Glen Sanford, as treasurer, violated 2 U.S.C. § 441a(f).

Any activity by James D. Santini with respect to the receipt of contributions over which the NRSC exercised direction or control would have been conducted in his capacity as an agent of the Santini Committee. See 2 U.S.C. § 432(e)(2) and 11 C.F.R. § 101.2(a). This Office, therefore, recommends that the Commission find no reason to believe that Mr. Santini violated 2 U.S.C. § 441a(f).^{*/}

This Office notes that the reports of the Santini Committee and the NRSC indicate that the NRSC engaged in conduit or intermediary activity for the Santini campaign for the remainder of the election year and that the complaint makes reference to activity from March through October. These contributions may have also resulted from the "direct-to" program or similar

^{*/} As noted above, the complaint also stated that contributions had been accepted by the exploratory committee, Friends of Jim Santini, and that such a committee was "prohibited by 2 U.S.C. § _____ from receiving more than \$5,000.00 in contributions." The applicable sections for the making and acceptance of contributions to testing the waters committees are 11 C.F.R. §§ 100.7(b)(1) and 100.8(b)(1). The sections provide that although funds received or payments made solely for the purpose of determining whether an individual should become a candidate are not expenditures, only funds permissible under the Act may be used for such activities. These sections also provide that, if the individual subsequently becomes a candidate, the payments made are contributions or expenditures subject to the reporting requirements of the Act. Therefore, the limit of 2 U.S.C. § 441a(h) would be the applicable limit. Since Mr. Santini became a candidate and the exploratory committee became the Santini Committee, the contributions that the complainant wishes to have addressed under sections pertaining to testing-the-waters activity are addressed in the analysis of the alleged violations of 2 U.S.C. § 441a(h) and 441a(f).

conduit programs in which the NRSC may have exercised direction or control over the contributions. This Office, therefore, should make inquiries as to all of the contributions referred to in the complaint, not just the contributions addressed by the NRSC.

B. Allegations as to Reporting

Section 434(b) of Title 2 sets out the requirements for the contents of reports filed by political committees. Among these requirements are: (1) the reporting of the totals of contributions received by the reporting committee from political party committees, other political committees, and persons other than political committees, 2 U.S.C. § 434(b)(2)(C), (D), and (A); (2) the identification of each person or committee making a contribution to the reporting committee, 2 U.S.C. § 434(b)(3)(A) and (B); (3) the reporting of the total of contributions by the reporting committee to other political committees, 2 U.S.C. § 434(b)(4)(H)(i); and (4) the identification of each political committee which has received a contribution from the reporting committee, 2 U.S.C. § 434(b)(6)(B)(i). The specific requirements for complying with section 434(b) in situations involving earmarked contributions are set out at 11 C.F.R. § 110.6(c) and (d).

Section 110.6(c)(1)(i) of the Commission Regulations requires that if a contribution passed through a conduit's account, the conduit shall disclose each contribution, regardless

of amount, on schedules of itemized receipts and expenditures. Section 110.6(c)(1)(ii) states that, if the contribution was passed on in the form of a contributor's check, then the conduit shall disclose each contribution on a separate schedule attached to the conduit's next report. According to 11 C.F.R.

§ 110.6(c)(4), the conduit should report as follows:

(i) The name and mailing address of the contributor and if the contribution exceeds \$200, the contributor's occupation and the name of his or her employer.

(ii) The amount of the contribution, the date received by the conduit, and the intended recipient as designated by the contributor;

(iii) The date the contribution was passed on to the intended recipient, and whether the contribution was passed on in cash, by the contributor's check, or by the conduit's check.

With respect to the NRSC, it appears that it has reported the contributions for which it was a conduit on schedules of receipts and expenditures. It also appears that for both contributions in the form of contributor check and contributions passing through the NRSC account, the NRSC, on its disbursement schedules, reported the date received and the date transmitted. The NRSC also stated whether such contributions were passed on by contributor check or NRSC check. In addition, the NRSC included the contributions passing through its account in the totals for contributions from individuals and non-party committees and the totals of contributions to federal candidates. Based on the

foregoing analysis, this Office recommends that the Commission find no reason to believe that the NRSC and Mr. Nelson, as treasurer, violated 11 C.F.R. § 110.6(c)(1) and (c)(4).

Section 110.6(c)(3) of the Commission Regulations states that the intended recipient of a contribution for which there was a conduit "shall disclose on his next report each conduit through which the contribution passed." It appears that the Santini Committee fulfilled this requirement. This Office, therefore, recommends that the Commission find no reason to believe that the Santini Committee and Mr. Sanford, as treasurer, violated 11 C.F.R. § 110.6(c)(3).

According to 11 C.F.R. § 110.6(d)(2),

[i]f a conduit exercises any direction or control over the choice of the recipient candidate, the contribution shall be considered a contribution by both the original contributor and the conduit, and shall be so reported by the conduit to the Commission, Clerk, or Secretary, as appropriate, or, if the conduit is not a reporting entity, by letter to the Commission, and to the recipient. The recipient candidate or committee shall report it in its reporting of contributions received, indicating that the contribution is made by both the original contributor and the conduit, but that the actual cash received does not reflect the two contributions.

In this matter, reports of the NRSC contain no indication that the contributions were under the NRSC's direction or control or that the contributions were to be considered as contributions from both the original contributors and the NRSC. It may be argued that the inclusion of contributions passing through the

NRSC bank account as part of the totals of contributions received and made is a reporting of direction or control by the NRSC. It appears, however, from the NRSC's claims of lack of direction or control that the NRSC included such totals on the detailed summary page only in order to comply with 11 C.F.R.

§ 110.6(c)(1)(i) and (ii). This Office, therefore, recommends that the Commission find reason to believe that the NRSC and Mr. Nelson, as treasurer, violated 2 U.S.C. § 434(b) and 11 C.F.R. 110.6(d)(2).

The reports of the Santini Committee contain no indication that the contributions were made by both the original contributor and the NRSC. This Office, therefore, recommends that the Commission find reason to believe that the Santini Committee and Mr. Sanford, as treasurer, violated 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(d)(2).

Based on the response of counsel and the reports of the RNC and the Santini Committee, it appears that the RNC did not participate in the conduit activities at issue in this matter. This Office, therefore, recommends that the Commission find no reason to believe that the RNC and Mr. McManus, as treasurer, violated 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(c) and (d).

The Santini Committee and its treasurer, rather than Mr. Santini, are the parties responsible for the proper reporting of the receipt of contributions in this matter. This Office,

therefore, recommends that the Commission find no reason to believe that Mr. Santini violated 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(c) and (d).

C. Allegations as to Knowing and Willful Violations

There is no indication from the record in this case that any of the apparent violations were knowing and willful. It appears that the NRSC believed that, because selections of recipient candidates were eventually made by the individual contributors, the NRSC did not exercise direction or control over the contributions. In addition, in reporting the contributions at issue, neither the NRSC nor the Santini Committee concealed the fact that the NRSC was acting as a conduit or intermediary.

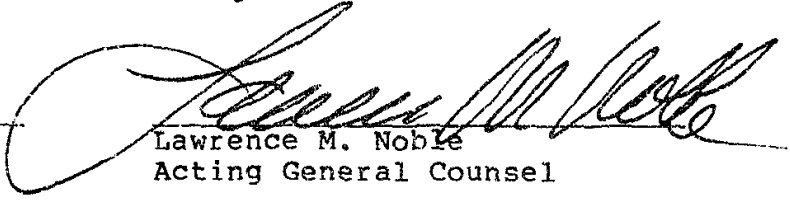
III. RECOMMENDATIONS

1. Find reason to believe that the National Republican Senatorial Committee and Richard G. Nelson, as treasurer, violated 2 U.S.C. § 441a(h).
2. Find reason to believe that Jim Santini for Senate and J. Glen Sanford, as treasurer, violated 2 U.S.C. § 441a(f).
3. Find no reason to believe that the National Republican Senatorial Committee and Richard G. Nelson, as treasurer, violated 11 C.F.R. § 110.6(c)(1) and (c)(4).
4. Find no reason to believe that Jim Santini for Senate and J. Glen Sanford, as treasurer, violated 11 C.F.R. § 110.6(c)(3).
5. Find reason to believe that the National Republican Senatorial Committee and Richard G. Nelson, as treasurer, violated 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(d)(2).
6. Find reason to believe that Jim Santini for Senate and J. Glen Sanford, as treasurer, violated 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(d)(2).

- 7 Find no reason to believe that the Republican National Committee and William J. McManus, as treasurer, violated 2 U.S.C. § 441a(h) or 2 U.S.C. § 434(b) and 11 C.F.R. § 110.6(c) and (d).
8. Find no reason to believe that James D. Santini violated 2 U.S.C. § 441a(f) or 2 U.S.C. § 434(b)(2)(D) and 11 C.F.R. § 110.6(c) and (d).
9. Approve the attached letters with questions.

Date

7/21/87


Lawrence M. Noble
Acting General Counsel

Attachments

1. Response of the RNC
2. Response of the Santini Committee
3. Response of James D. Santini
4. Response of the NRSC (response of counsel, affidavit, and "direct to" agreement)
5. Proposed letter with questions to the NRSC
6. Proposed letter with questions to the Santini Committee
7. Proposed letter to the RNC
8. Proposed letter to James D. Santini